

Message Text

LIMITED OFFICIAL USE

PAGE 01 MTN GE 03333 011903Z

43

ACTION EB-07

INFO OCT-01 IO-13 ISO-00 STR-04 STRE-00 XMB-02 OPIC-03

AGR-05 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03 H-02

INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02

OMB-01 FEA-01 /099 W

----- 010641

R 301717Z APR 76

FM USDEL MTN GENEVA

TO SECSTATE WASHDC 1459

INFO AMEMBASSY ISLAMEBAD

LIMITED OFFICIAL USE MTN GENEVA 3333

PASS STR

H PASS CODEL

E.O. 11652: N/A

TAGS: ETRD, MTN

SUBJECT: TROPICAL PRODUCTS CONSULTATION - PAKISTAN

1. SUMMARY: IN BILATERAL TROPICAL PRODUCTS (TP CONSULTATION WITH PAKISTAN MTN DEL, US MTN DEL ELABORATED ON ITS MARCH 1 OFFER TO NEGOTIATE MFN TARIFF CONCESSIONS AND IDENTIFIED CONTRIBUTION THAT US SOUGHT FROM PAKISTAN TO THE TROPICAL PRODUCTS NEGOTIATIONS. PAKISTAN DEL ON INSTRUCTIONS STATED THAT US OFFERS WERE RELATIVELY MODEST AND NOTED THAT THE ITEMS OF MOST IMPORTANCE TO PAKISTAN WERE NOT INCLUDED IN THE US OFFER. HE REQUESTED CLARIFICATION OF INDIVIDUAL ITEMS, CLARIFICATION OF US POSITION WITH RESPECT TO NEGOTIABILITY

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MTN GE 03333 011903Z

OF NONTARIFF MEASURES IN THE TP GROUP, AND WHETHER US

INTENDED TO OFFER GSP RESPONSES IN THE TROPICAL PRODUCTS GROUP. HE ALSO EXPRESSED SURPRISE THAT THE US WOULD REQUEST A CONTRIBUTION FROM PAKISTAN, A MOST SERIOUSLY AFFECTED COUNTRY, BUT REALIZED FOR THE FIRST TIME THAT WE WERE SERIOUS IN OUR POSITION; AND OBSERVED WITH SATISFACTION THAT THE US HAD BEEN CAREFUL TO SELECT A PRODUCT OF DEVELOPMENT INTEREST TO PAKISTAN. HE INDICATED HE WOULD FORWARD OUR REQUEST TO ISLAMABAD FOR FURTHER INSTRUCTIONS. END SUMMARY

2. ELABORATION OF US TP OFFER - US MTN DEL (GRAEF, LAVOREL) HELD BILATERAL CONSULTATIONS WITH PAKISTAN MTN DEL (SADAAT) APRIL 28 IN CONTEXT OF CURRENT ROUND OF BILATERAL TP CONSULTATIONS TO ELABORATE ON US TP OFFER AND PRESENT US REQUEST FOR SPECIFIC LDC CONTRIBUTIONS TO TP NEGOTIATIONS. US MTN DEL NOTED THAT US HAD INCLUDED FIVE PRODUCTS IN ITS MFN OFFER THAT WERE REQUESTED BY PAKISTAN WITH A TOTAL TRADE VALUE OF \$1.1 MILLION BASED ON 1974 PAKISTAN EXPORTS TO THE US. SADAAT RESPONDED THAT FIVE ITEMS OUT OF 25 REQUESTED WAS NOT VERY RESPONSIVE AND THAT ITEMS OF MAJOR INTEREST TO PAKISTAN WERE NOT INCLUDED IN THE US OFFER. OF PARTICULAR IMPORTANCE TO PAKISTAN WERE SHELLFISH (114.45), RICE (130.55, 131.30,) AND FOOTWEAR ITEMS. USDEL RESPONDED THAT IN ADDITION TO FIVE MFN OFFERS, ONE ITEM SHELLFISH CURRENTLY DUTY FREE, AND ANOTHER TEN ITEMS INCLUDED ON PAKISTAN REQUEST LIST WERE UNDER GSP AS REQUESTED, EMPHASIZING HOWEVER THAT THIS NOT IN RESPONSE TO TP REQUEST LIST FOR PAKISTAN.

3. SADAAT QUESTIONED WHETHER US INTENDED TO NEGOTIATE NONTARIFF MEASURES IN THE TP GROUP GIVEN THE FACT THAT THERE WERE NO OFFERS. MTN DEL RESPONDED THAT AS A GENERAL POLICY US BELIEVED THAT NONTARIFF MEASURES SHOULD BE DEALT WITH IN THE NONTARIFF MEASURES SUBGROUPS. MTN DEL ADDED THAT SPECIFIC INFORMATION WHICH HAD BEEN REQUESTED BY US ON NOTIFIED NONTARIFF BARRIERS HAD NOT BEEN SUPPLIED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MTN GE 03333 011903Z

BY DEVELOPING COUNTRIES MAKING ANY RESPONSE IN THE TROPICAL PRODUCTS GROUP DIFFICULT.

4. SADAAT ALSO OBSERVED THAT THE US HAD DONE NOTHING TO IMPROVE GSP IN ITS TP OFFER. MTN DEL RESPONDED THAT THERE WAS AGREEMENT IN THE TOKYO DECLARATION TO CONDUCT THE NEGOTIATIONS ON A MOST-FAVORED-NATION BASIS; THAT OUR OFFERS IN THE TROPICAL PRODUCTS

GROUP WERE TO DEVELOPING COUNTRIES WHO HAD A PREPONDERANT SHARE OF THE MARKET ON THESE ITEMS, AND THAT OTHER MORE APPROPRIATE CHANNELS EXISTED TO PURSUE THE IMPROVEMENT OF GSP WHICH WAS NONRECIPROCAL, UNBOUND AND UNILATERAL IN NATURE. MTN DEL STATED THAT IN CONTRAST IT WAS US INTENTION TO BIND CONCESSIONS OFFERED IN THE TROPICAL PRODUCTS GROUP BUT OBSERVED THAT THIS RELATED TO THE QUESTION OF IMPLEMENTATION ON WHICH WE HAD NO POSITION AT THE BEGINNING OF THE NEGOTIATIONS. HE FURTHER INDICATED THAT APPLICATION OF FULL US AUTHORITY TO TSUS 155.40, 140.45, 145.53, AND 165.55 WOULD RESULT IN FREE DUTIES AND IT WOULD BE DIFFICULT FOR US TO BIND SUCH CONCESSIONS IF WE ARE UNABLE TO ACHIEVE MEANINGFUL CONTRIBUTIONS FROM LDCS THAT SIGNIFICANTLY BENEFIT TO THE TROPICAL PRODUCTS NEGOTIATIONS.

5. SADAAT EXPRESSED APPRECIATION FOR THE RECENT DECISION FOR THE US ADMINISTRATION REGARDING FOOTWEAR AND HOPED THAT THIS INDICATED THAT THE US WAS PREPARED TO NEGOTIATE LEATHER FOOTWEAR PRODUCTS IN THE TROPICAL PRODUCTS GROUP. MTN DEL RESPONDED THAT US OFFER DID NOT INCLUDE FOOTWEAR; THAT ABSENCE OF AN OFFER IN TP GROUP DID NOT PRECLUDE THE POSSIBILITY OF NEGOTIATING THESE PRODUCTS IN OTHER AREAS OF THE MTN; BUT THAT FOOTWEAR WAS VERY SENSITIVE, REMINDING PAKISTANI DEL THAT ITC HAD FOUND INJURY. SADAAT CONTINUED TO PRESS FOR NEGOTIATIONS IN THE TP GROUP TO WHICH MTN DEL RESPONDED WITH A DEFINITIVE NO.

6. SADAAT REQUESTED THAT WE RECONSIDER OUR DECISION ON RICE AND ASKED THAT WE ESPECIALLY CONSIDER THE POSSIBILITY OF ESTABLISHING A NEW TARIFF POSITION LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 MTN GE 03333 011903Z

FOR BASMATI RICE. MTN DEL STATED HE WOULD REPORT THIS REQUEST, BUT INDICATED THAT THE US WAS THE WORLD'S LARGEST EXPORTER OF RICE; THAT ALL RICE EXPORTERS HAD AN INTEREST IN LOWERING WORLD BARRIERS TO TRADE IN RICE, SOMETHING THAT MIGHT BE MORE APPROPRIATELY DONE IN OTHER GROUPS OF THE MTN.

7. PRESENTATION OF CONTRIBUTION US IS SEEKING FROM PAKISTAN - US DEL PRESENTED PAKISTANI DEL WITH CONFIDENTIAL NEGOTIATING REQUEST PREPARED BY WASHINGTON AGENCIES. US REQUEST IS FOR 50 PERCENT DUTY REDUCTION ON MINERAL CRUSHING MACHINERY, AN ITEM ON PAKISTAN'S PUBLIC SECTOR IMPORT LIST, AND CONSIDERED NECESSARY FOR ITS DEVELOPMENT PROGRAM.

MTN DEL OBSERVED THAT THE TRADE VALUE OF THE CONTRI-
BUTION WE WERE SEEKING WAS SIGNIFICANTLY BELOW THE
VALUE OF THE CONCESSIONS WE WERE OFFERING AND THUS
CONSISTENT WITH PARA 5 OF THE TOKYO DECLARATION.
SADAAT REACTED WITH SURPRISE NOTING THAT PAKISTAN
HAD NOT EXPECTED A REQUEST BEING AMOST SERIOUSLY
AFFECTED NATION. HE REPEATED THE PAKISTANI
POSITION EXPRESSED IN MANY GROUPS WITH RESPECT TO
LDC NONRECIPROCITY FOR CONCESSIONS THEY RECEIVED
FROM THE MTN. HE STATED THAT FOR THE FIRST TIME
HE BELIEVED THAT US WAS SERIOUS IN REQUESTING
CONTRIBUTIONS AND SAID THAT HE WOULD FORWARD THEM
TO HIS AUTHORITIES FOR CONSIDERATION.WALKER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FRUIT, MEETINGS, NEGOTIATIONS, GENERALIZED PREFERENCES (TARIFFS)
Control Number: n/a
Copy: SINGLE
Draft Date: 30 APR 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: saccheem
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976MTNGE03333
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760167-0865
From: MTN GENEVA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t1976043/aaaaabytc.tel
Line Count: 182
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: saccheem
Review Comment: n/a
Review Content Flags:
Review Date: 10 MAY 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <10 MAY 2004 by woolflhd>; APPROVED <20 SEP 2004 by saccheem>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: TROPICAL PRODUCTS CONSULTATION - PAKISTAN
TAGS: ETRD, PK, MTN
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006